NOMA

NOMA INDUSTRIES LIMITED 1974 ANNUAL REPORT

NOMA INDUSTRIES LIMITED

Financial Highlights

	1974	1973
Sales	$26,865,000	$18,172,000
Net Earnings	1,321,000	1,275,000
Per Share	$1.30	$1.25
Cash Flow from Operations	2,660,000	2,148,000
Working Capital	5,337,000	2,869,000
Shareholders Equity	7,722,000	6,587,000
Per Share	$7.59	$6.48


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TRUEBLOOD
WARNING
WARNING
WARNING

To Our Shareholders

Your company faced unusual challenges in 1974. The Canadian economy was confronted with a combination of internal and external pressures. These resulted in fluctuations in money costs, critical shortages, and spiraling prices. By year-end, it was evident that the economy was well into a recessionary period of a potentially long duration.

While far from pleased with results, we feel your company coped satisfactorily with the adverse conditions which prevailed in the last quarter of the year.

Financial Review
Sales in 1974 rose by 48 per cent to $26.9 million from $18.2 million the previous year. However, a considerable portion of the increase was attributable to the acquisition of a new subsidiary, Outdoor Products Mfg. Ltd. We estimate that about 15 per cent was due to inflation.

Earnings increased to $1,321,000 or $1.30 per share as compared with $1,275,000 or $1.25 per share a year earlier. Again the 1974 earnings figures include Outdoor Products' results.

The obvious reduction in profit margins was due to several factors. Foremost among these were the heavier than anticipated start-up expenses arising from the addition to the Cable-Tech plant and losses incurred in our U.S. operations.

Our 1974 tax rate rose to 44.1 per cent from 41.5 per cent. This was mainly the result of being unable to apply fully, against income tax, the losses experienced by our Beck Electric Manufacturing, Inc.

During the year, term loans were consolidated under one blanket loan and the bank lines have been increased and lengthened resulting in a $2.5 million rise in working capital.

Inventories, priced at lower of cost or net realizable value, rose by $4.9 million of which a substantial portion is represented by the absorption of Outdoor Products' inventory. The remainder is due to the fall-off in business at year-end resulting in a larger physical count.

Net fixed assets increased by $2.6 million. Two-thirds of the increase represents the investment in plant and equipment at Cable-Tech and was partially financed by increasing the existing mortgage.

At the beginning of 1974, we adopted the policy of amortizing the cost of goodwill against earnings. All goodwill is being written off at an annual rate of 2½ per cent, and in 1974 this totaled $15,000.

Operating Review
The fourth quarter, which is historically our best, was not up to expectations. Consumer confidence in the economy, which began to dwindle in the final quarter, precipitated a slackening in consumer spending. This in turn encouraged retailers to be more inventory conscious than before and as a result, they postponed or cancelled purchases of merchandise to avoid further inventory build-up.

This attitude, on the part of dealers, was particularly evident at Noma Lites. At that division, sales were up substantially in the first three quarters but dropped off in the final quarter to an extent we had not anticipated.

In the U.S. operations, we had predicted a lower level of sales as a result of the carryover in dealer inventory. This occurred as a consequence of the energy crisis induced restriction of outdoor lighting in the U.S. in 1973. The resulting loss in the U.S. division was a major factor contributing to reduced profit margins.

The profits of Cable-Tech were adversely affected by higher material costs including significant premiums which had to be paid to secure adequate supply of plastic. It was necessary to interrupt production to relocate and install new equipment at the plant. These start-up costs have all been written-off, and had a depressing effect on our earnings.

During the year, your company purchased control of Outdoor Products Mfg. Ltd. The acquisition allows an extension of our product lines into new consumer items sold through similar channels of distribution.

Our harness division, Beck Electric Manufacturing Company improved its efficiencies in 1974. Its sales doubled and labour costs were reduced. The division made a contribution to profits during the year.

You will note a change in fiscal year-end from December 25 to December 31 was effected in 1974. This is historically an inactive period for your company, and as the figures shown in this report include two of these periods due to the change, there was a resulting slight diminution of earnings.

I have asked each of our division heads to provide their comments on 1974 operations, and these are presented further on in this report.

Accounting for Inflation
We have watched with interest the growing dialogue on accounting for inflation. It is obvious, particularly in the light of inflation of double-digit proportions witnessed in 1974, that historic accounting practices can be misleading in providing an accurate reflection of a company's present position and profitability. I am speaking specifically of inflation's impact upon inventory and depreciation allowances.

We have examined the effect inflation had on our 1974 operations and have decided that for this year, at least, we would not adopt the policy of providing price level adjusted data for comparative purposes.

Inventory profits were a marginal factor. In fact, copper which is one of our major components was priced lower at December 31, 1974 than at the beginning of the year.

In regard to depreciation charged against operations, there is no doubt that the traditional methods of amortizing the original costs of fixed assets over their estimated useful life is not providing adequate provisions to replace these assets. Profits are being overstated to varying degrees by most companies with a considerable investment in fixed assets.

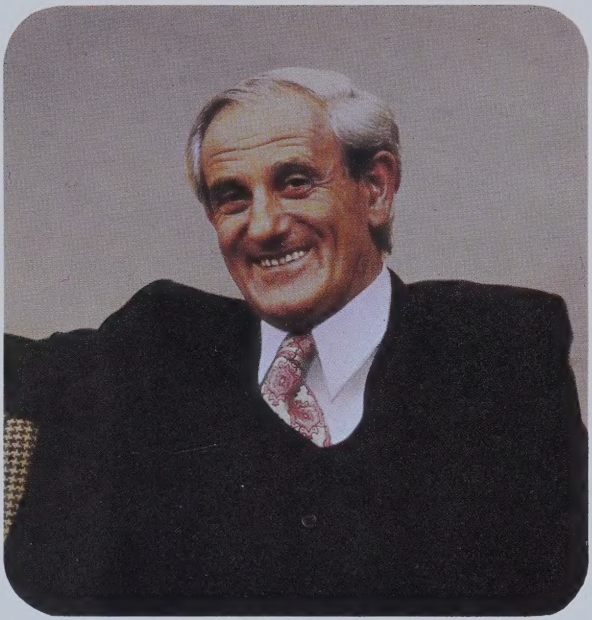
Seventy per cent of our fixed assets were purchased in the past three years so that the overstatement of profits in our case is much less than most companies.

If inflation continues at high rates, financial statements prepared upon the traditional historical cost basis will produce figures that may seriously misrepresent the true financial picture and in many cases will result in taxes and dividends being paid out of capital.

Outlook
The first quarter is traditionally our low sales and earnings period. At this point, total sales appear to be slightly less than last year.

Prospects for the Canadian economy are somewhat confusing. However, we believe that a turnaround will occur late in the year or early in 1976. In any event, we feel the outlook for your company is better than for the economy as a whole.

Our Cable-Tech division has completed its program to expand capacity and is now able to increase output and operate more efficiently. We expect that consumer spending on durables will turn-up in mid-to-late 1975, and Cable-Tech's Original Equipment (O.E.M.) customers to resume a higher level of purchases, in anticipation of this improved demand.



Dealer inventories of decorative lighting in both Canada and the U.S. are virtually depleted. We, therefore, expect an improvement in sales and profits for these products at Noma Lites and at our U.S. operations this year.

Sales of Christmas products now represent approximately 25 per cent of your company's total sales volume.

Beck Electric should continue to increase its contribution to profit.

Outdoor Products is being fully integrated into our corporate picture and we are enthusiastic about its future potential.

We have budgeted 1975 capital expenditures in the amount of approximately $1,000,000 which includes the new head office facility at Kennedy Road which is now completed. This expenditure will be substantially lower than levels of the last few years.

Acknowledgement
On behalf of the board of directors, I welcome Mr. Bill Czeban as President of Outdoor Products Mfg. Ltd. Mr. Czeban is a valued addition to our management team.

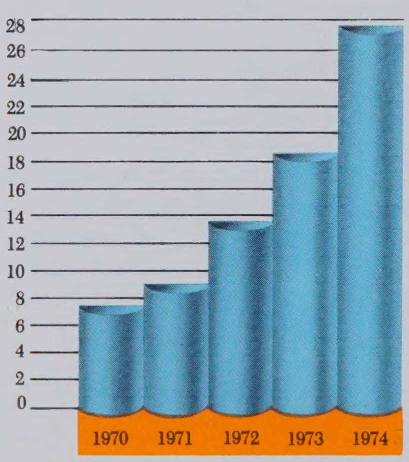
Our management and staff responded admirably to the difficult conditions confronting us in 1974 and your directors confirm their sincere appreciation for their excellent and loyal performance.

H. Thomas Beck
President and Chief Executive Officer
April 7, 1975

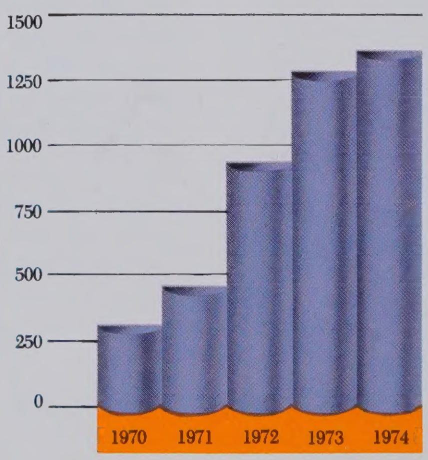
NOMA
NOMA INDUSTRIES LIMITED

(left to right) Rudy Koehler, executive vice-president, Tom Beck, president, and Mark Waldman, treasurer

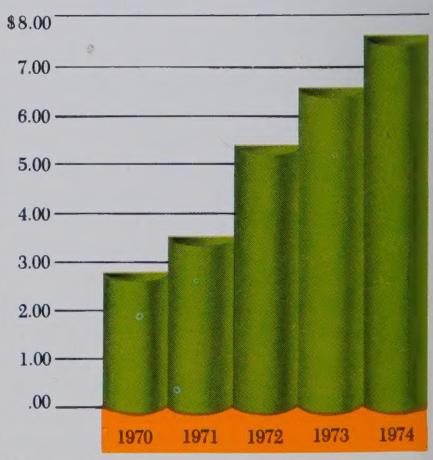
Sales (millions of Dollars)



Net Earnings (thousands of dollars)*



Equity per Share (dollars)



* Before extraordinary items.

Consolidated Statement of Earnings

FOR THE YEAR ENDED DECEMBER 31, 1974
(with comparative figures for 1973)

	1974	1973
Sales	$26,864,977	$18,171,529
Earnings before the undernoted charges	4,212,910	3,307,878
Interest (including $334,548; 1973—$253,734 on long-term debt)	1,010,180	530,977
Depreciation and amortization (Note 11)	749,205	551,502
	1,759,385	1,082,479
Earnings before income taxes and minority shareholders' interest	2,453,525	2,225,399
Income taxes	1,081,473	923,571
Earnings before minority shareholders' interest	1,372,052	1,301,828
Minority shareholders' interest	51,178	26,629
Net earnings for the year	$ 1,320,874	$ 1,275,199
Earnings per share	$1.30	$1.25

Auditors' Report

The Shareholders,
Noma Industries Limited.

We have examined the consolidated balance sheet of Noma Industries Limited and subsidiaries as at December 31, 1974 and the consolidated statements of earnings, retained earnings and contributed surplus and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of Noma Industries Limited and subsidiaries as at December 31, 1974 and the results of their operations and changes in their financial position for the year then ended, in accordance with generally accepted accounting principles which have been applied, except for the change in the accounting treatment of goodwill (Note 5), on a basis consistent with that of the preceding year.

Toronto, Ontario.
April 1, 1975.

TOUCHE ROSS & CO.
Chartered Accountants.

Consolidated Statement of Changes in Financial Position

FOR THE YEAR ENDED DECEMBER 31, 1974
(with comparative figures for 1973)

	1974	1973
Source of funds		
From operations		
Net earnings for the year	$1,320,874	$1,275,199
Amounts charged against earnings but not requiring an outlay of funds		
Depreciation and amortization	749,205	551,502
Deferred income taxes	538,554	294,228
Minority shareholders' interest in net earnings of subsidiaries	51,223	26,629
	2,659,856	2,147,558
Increase in long-term debt, net	3,146,065	—
Forgiveness of loan	17,750	17,750
	5,823,671	2,165,308
Application of funds		
Purchase of fixed assets	3,042,531	1,633,567
Dividends paid	203,400	101,700
Acquisition of Outdoor Products Mfg. Ltd., net of working capital acquired and minority interest	85,200	—
Decrease in long-term debt, net	—	54,219
Other assets	24,000	77,596
	3,355,131	1,867,082
Increase in working capital	2,468,540	298,226
Working capital at beginning of the year	2,868,579	2,570,353
Working capital at end of the year	$5,337,119	$2,868,579

Consolidated Balance Sheet
AS AT DECEMBER 31, 1974
(with comparative figures as at December 25, 1973)

Assets	1974	1973
Current		
Cash	$ 36,241	$ 148,796
Accounts receivable (Note 3)	3,429,531	4,159,227
Inventories	9,838,724	4,956,603
Sundry assets and prepaid expenses	293,933	278,980
	13,598,429	9,543,606
Property, plant and equipment and leasehold improvements (Note 4)	9,175,223	6,576,601
Patents	56,558	62,528
Goodwill (Note 5)	596,741	328,842
Other assets (Note 6)	24,000	205,326
	$23,450,951	$16,716,903
Liabilities		
Current		
Bank indebtedness (Note 7)	$ 5,547,174	$ 4,351,481
Accounts payable and accrued liabilities	2,264,536	1,979,928
Current portion of long-term debt (Note 8)	449,600	343,618
	8,261,310	6,675,027
Deferred income taxes	1,250,678	689,424
Long-term debt (Note 8)	6,037,759	2,691,694
Minority interest in subsidiary companies (Note 1(g))	179,000	73,778
	15,728,747	10,129,923
Shareholders' Equity		
Capital stock (Note 9)	2,456,860	2,456,860
Retained earnings	5,187,244	4,069,770
Contributed surplus (Note 10)	78,100	60,350
	5,265,344	4,130,120
	7,722,204	6,586,980
	$23,450,951	$16,716,903

On behalf of the Board

H. Thomas Beck, *Director*

Rudolph A. Koehler, *Director*

Consolidated Statement of Retained Earnings and Contributed Surplus

FOR THE YEAR ENDED DECEMBER 31, 1974
(with comparative figures for 1973)

	1974	1973
Retained Earnings		
Balance at beginning of the year	$4,069,770	$2,896,271
Net earnings for the year	1,320,874	1,275,199
	5,390,644	4,171,470
Dividends paid	(203,400)	(101,700)
Balance at end of the year	5,187,244	4,069,770
Contributed Surplus		
Balance at beginning of the year	60,350	42,600
Forgiveness of loan (Note 10)	17,750	17,750
Balance at end of the year	78,100	60,350
Total surplus	$5,265,344	$4,130,120

Notes to Consolidated Financial Statements
DECEMBER 31, 1974

1. Summary of significant accounting policies

(a) Principles of consolidation

(i) The consolidated financial statements include the accounts of the company and all its subsidiaries. All significant inter-company transactions have been eliminated.

(ii) All amounts in foreign currencies, including the accounts of the United States subsidiary have been converted to Canadian dollars as follows:

Current assets and liabilities at rates prevailing at the balance sheet date.

Non-current assets and liabilities at rates prevailing when acquired or incurred.

Income and expenses at average exchange rates applying throughout the year.

(b) Accounts receivable

Specific provision is made for all accounts receivable balances, the collectibility of which is uncertain.

(c) Inventories

Inventories comprising raw materials, work-in-process and finished goods are valued at the lower of cost determined on a first-in, first-out basis, and net realizable value.

(d) Depreciation and amortization

Property, plant and equipment are depreciated on the straight-line basis at rates intended to extinguish the costs of these assets over their estimated useful lives. Leasehold improvements are amortized over the remaining period of the respective leases.

Patent costs are amortized over a period of seventeen years and are carried at unamortized cost.

(e) Goodwill

Goodwill is being amortized on a straight-line basis over forty years (Note 5).

(f) Deferred income taxes

The provision for income taxes is computed on the allocation basis whereby provision is made for income taxes deferred by virtue of depreciation for tax purposes exceeding that booked in the accounts.

(g) Minority interest in subsidiary companies

This account represents the minority interest in the capital stock and retained earnings of two subsidiary companies and includes a minority interest of $12,000 in preference shares.

2. Acquisition of subsidiary company.

The company acquired on July 7, 1974 70% of the issued common and preference shares of Outdoor Products Mfg. Ltd., manufacturers and distributors of lawn mowers, snow blowers and similar equipment as follows:

Cash	$220,000
Promissory notes	200,000
Cost	420,000
Less imputed interest	10,700
	$409,300

The promissory notes are collaterally secured by a pledge of the shares acquired.

The effective date of the transfer of control of this company was January 1, 1974. The consolidated financial statements include the earnings of the acquired company, less the minority interest therein, from that date. Interest on the purchase consideration has been imputed for the period January 1, 1974 to July 7, 1974.

The acquisition has been reflected using "purchase accounting" as follows:

Total assets at book value (which approximates fair market value) at date of acquisition		
Current assets	$1,162,000	
Fixed assets	78,700	
		$1,240,700
Liabilities at date of acquisition		
Current liabilities	$1,037,900	
Deferred taxes	22,700	
		1,060,600
		180,100
Less minority interest in net assets		54,000
		126,100
Goodwill arising on acquisition (which is to be amortized over forty years)		283,200
Net purchase consideration		$ 409,300

The remaining 30% of the outstanding shares of Outdoor Products Mfg. Ltd. will be acquired at varying dates up to April 30, 1980 at prices based upon that company's future earnings.

3. Accounts receivable

Accounts receivable include $49,637 (1973—$11,137) loaned to shareholders of the company in connection with house purchases.

4. Property, plant and equipment and leasehold improvements

	1974	1973
Buildings, plant and equipment and leasehold improvements, at cost	$10,955,329	$7,651,315
Less accumulated depreciation and amortization	2,343,121	1,637,729
	8,612,208	6,013,586
Land, at cost	563,015	563,015
	$ 9,175,223	$6,576,601

5. Goodwill

In prior years, the company's policy was to record goodwill as an asset at cost, without amortization.

Commencing in 1974, the company has adopted the policy of amortizing goodwill as a charge to earnings by the straight-line method over forty years. Had the change in accounting policies been applied retroactively, in respect of goodwill acquired prior to 1974, $8,200 would have been charged to earnings in 1973.

6. Other assets

	1974	1973
Notes receivable (a)	$24,000	$ —
Deferred development costs (b)	—	199,154
Deferred financing (c)	—	6,172
	$24,000	$205,326

(a) Receivable in semi-annual installments of $3,000 each, to 1979 with interest at 13% per annum.

(b) The prototype machine for which a contribution of $150,000 was received in 1970 from the Department of Industry of Canada has been transferred to commercial use, and is now included with property, plant and equipment and leasehold improvements. A payment of $75,847 was made to the Department of Industry as repayment in full in connection with the contribution received.

(c) Fully amortized in 1974.

7. Bank indebtedness

Bank indebtedness is secured by a general assignment of certain receivables and inventories.

The company and certain of its subsidiaries are required to maintain compensating balances which aggregated $200,000 at December 31, 1974.

8. Long-term debt

	1974	1973
Term bank loans		
Payable in Canadian funds (a)	$3,800,000	$ 640,000
Payable in U.S. funds	—	666,240
Total term bank loans	3,800,000	1,306,240
Mortgages on real property (b)	2,398,609	1,622,572
Ontario Development Corporation (Note 10)	88,750	106,500
Note payable (c)	200,000	—
	6,487,359	3,035,312
Less current portion	449,600	343,618
	$6,037,759	$2,691,694

(a) Interest is payable at 1¼% above prime interest rate. The repayment terms are $300,000 in 1975, $400,000 in 1976, $500,000 in 1977 and 1978, $600,000 in 1979, $1,000,000 in 1980 and $500,000 in 1981. The security is a fixed charge on land, buildings and equipment and floating charges on all the assets of the company and its subsidiaries subject to priorities of mortgages and assignment of certain receivables and inventories.

(b) $1,198,609 interest at 8¾% due December 1, 1992, repayable $131,076 per annum including principal and interest.
$1,200,000 interest at 10⅝% due November 1, 1994, repayable $138,180 per annum including principal and interest.

(c) Interest is payable at the lesser of prime interest rate or 10%, repayable $100,000 in 1975 and $100,000 in 1976.

The annual principal payments required in the next five years to meet the long-term debt obligations are:

1975	$449,600
1976	553,400
1977	559,800
1978	564,100
1979	671,100

9. Capital stock

Authorized	
2,000,000 common shares without par value	
Issued and fully paid	
1,017,000 common shares	$2,456,860

10. Contributed surplus

Pursuant to an agreement between Cable-Tech Wire Company Limited and the Ontario Development Corporation, that company received in 1969 the amount of $177,500 interest free as a forgivable loan for the construction of new buildings and equipment. This loan is secured by a specific mortgage on certain machinery and equipment and a floating charge on other assets. One-tenth of the loan has been forgiven at the end of each of the five years following the date of the final advance. The balance of the loan is to be forgiven at the end of next year, provided the company has operated its business in a manner satisfactory to the Ontario Development Corporation and has continuously carried on the business of manufacturing wire and cable in Stouffville, Ontario.

11. Depreciation and amortization

	1974	1973
Depreciation	$683,268	$471,950
Amortization of		
Leasehold improvements	7,146	27,201
Organization expense	—	466
Deferred development costs	31,348	20,352
Patents	5,970	5,882
Deferred financing costs	6,172	25,651
Goodwill	15,301	—
	$749,205	$551,502

12. Commitments and contingencies

(a) The company intends to expand its office premises owned by one of its subsidiaries at an estimated cost of $300,000.

(b) The total rentals paid for 1974 amounted to approximately $281,500 under existing leases which are for various periods to 1993.

(c) There were letters of credit outstanding at December 31, 1974 of approximately $320,000.

13. Remuneration of directors and senior officers

The aggregate remuneration paid by the company and its subsidiaries to the directors and senior officers of the company was $225,976 (1973 — $193,626).

14. Comparative figures

The 1973 comparative figures have been reclassified to conform with the 1974 presentation.

15. Change in year-end

The year-end of the company has been changed in 1974 from December 25 to December 31. This change is not considered to have had any significant effect on the figures reported.

Department store displays of Noma Christmas products

Injection moulding equipment for manufacturing cord sets at Noma Lites

Operations 1974

Noma Industries Limited is one of Canada's largest manufacturers of flexible wire and cable and of Christmas lights and related products. A new division, acquired in 1974, produces lawn mowers, rototillers and snow blowers. The five divisions of Noma are operated under the guidance of their respective presidents or general managers, with centralized financial controls located at the company's head office in Toronto.

The following commentary is presented by a senior officer of each division concerning the company's performance in 1974 and prospects for 1975.

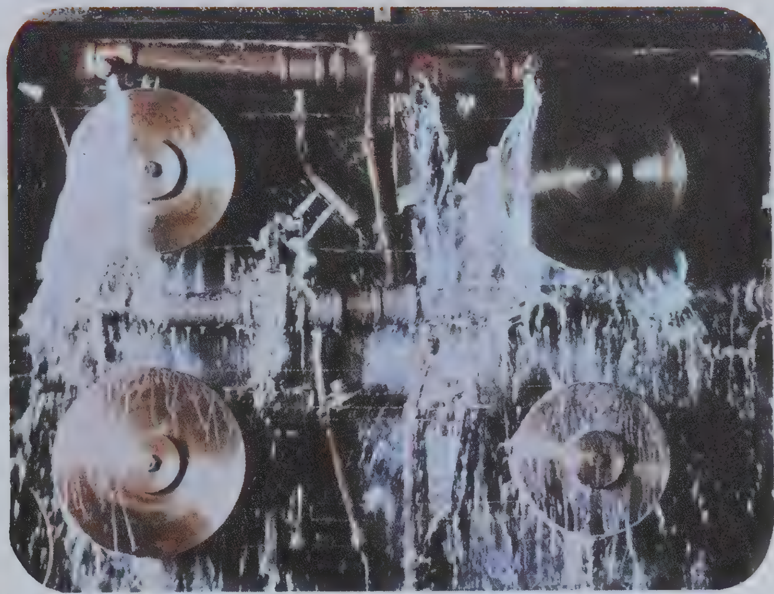
Noma Lites Canada Limited

Rudolph A. Koehler
Executive Vice-President

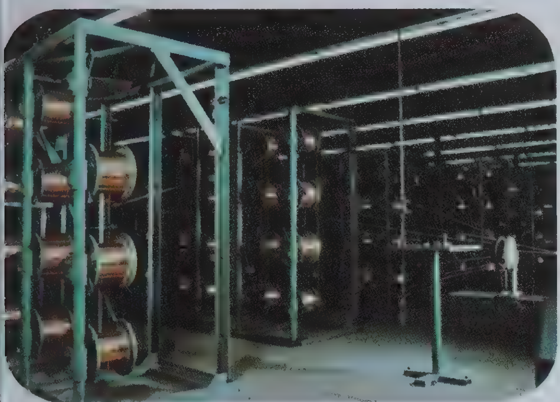
We had a record year at Noma Lites in sales and earnings. Sales were up a little over 20 per cent from the previous year.

Business was buoyant for the first nine months of 1974, for all our products including Christmas, extension cords and cord sets to O.E.M. However, sales slowed down suddenly in the last three months, to less than 1973 levels, particularly in Christmas products. There were virtually no repeat orders last year because of the pressure which was on all businesses to reduce inventories. This was most strongly felt in product lines which have no sales potential after Christmas. As a result,

Testing at Cable-Tech of rubber insulating material



Fine wire drawing machine at Cable-Tech



Bunching of copper strands to form flexible conductors

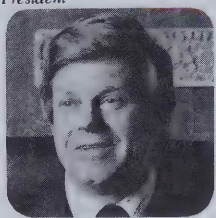
we are carrying over heavier inventories than in past years.

There is a positive side to this for 1975. Since retailers' inventories on Christmas products were virtually cleaned out, we expect this condition to result in increased sales.

Our Noma Displays operation continues to do well. Its Metro Toronto plant, where our artificial Christmas trees are manufactured, is operating efficiently. In both operations we have been able to offset the effects of higher labour costs with increased productivity, and should benefit further from improved operating methods during 1975. Most raw materials prices have stabilized, particularly for wire. We expect that our own product prices will remain stable, and that our sales and profits for this year will be level with 1974.

Cable-Tech Wire Company Limited

Siegfried Riemer
President



In 1974, we were involved in an extensive capital expenditure program. We spent approximately $1.7 million on equipment and building expansion to more than double the size of our facilities.

We increased production capacity by about 40 per cent to meet demands for our existing lines of flexible wire. We also added to our family of products.

Sales volume grew at the same rate as capacity. Our sales to companies outside of the Noma group totalled over 40 per cent of our output. Profits were lower due to higher material costs and the expenses resulting from

Wire and cord sets manufacturing facilities at U.S. subsidiary

expansion.

Last year, we saw material shortages, especially for copper and petro-chemical derivatives. There was also a shortage of skilled labour.

Conditions have now changed and all commodities are readily available, but many prices remain at high levels.

In 1975, our capital expenditures will be minor as we refine our enlarged capacity.

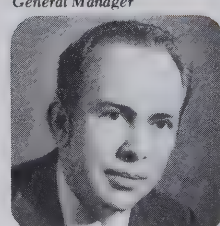
Among operations coming on stream this year is our polyvinyl chloride compounding line, which will meet our plastic requirements for insulating material.

Sales of some of our major customers have slowed down and we will put more emphasis on selling. Contributing to the difficulty in sales is the correction of customers' inventories that took place in the early part of 1975.

The balance of the year looks better and, as a result, we still anticipate an increase in sales over 1974.

Beck Electric Manufacturing Company

Ben Hoag
General Manager



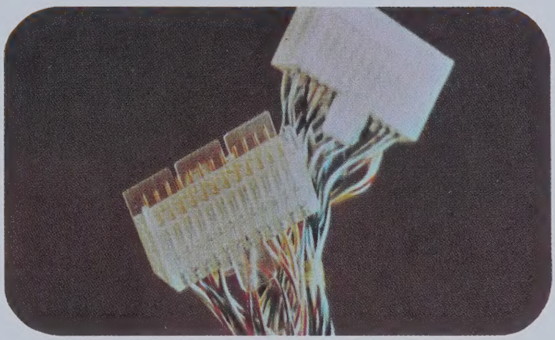
As we settled into our new Toronto plant in 1974 and developed the organization, our improved production set up handled the substantial increase in volume of our customized power cords and harness assemblies in 1974.

We now are a major factor in the industry and have built an excellent reputation with our customers for delivery and service.

Business slowed in early 1975 as many appliance manufacturers shut down their plants temporarily to reduce their inventories.

There is now evidence that the situation is changing and we expect to be busy by June.

We anticipate that appliance sales will



Wiring harness assembly by Beck Electric Manufacturing Company

have been appointed in major markets to handle these sales.

Looking at 1974, dealers were well stocked with Christmas light sets going into the season, because of the huge carryover from 1973. In addition, because of the general economic slowdown, dealers did not follow the normal pattern of reordering as supplies diminished.

After the doldrums of 1974 and a relatively slow first quarter, we expect good improvement for the remainder of the year in both Christmas light and wire sales.

improve, and we are confident that our business for 1975 will be equal with 1974.

Beck Electric Manufacturing, Inc.

Seymour Jeruss
President

Because of the way the energy crisis affected our business, 1974 was an off year. However, we have good expectations for 1975 in that we've successfully diversified with some new equipment to produce power cords and flexible wire.

About 90 per cent of our sales in 1974 were Christmas products. In 1975, we look for a larger percentage of our sales to be in wire and cord sets and independent sales agents

Outdoor Products Mfg. Ltd.

Bill Czeban
President

Business was very good in 1974, and we recorded a 30 per cent increase in sales.

Of our sales, 60-65 per cent is in lawn equipment; rotary and rider mowers, roto-tillers, and wheelbarrows and over 35 per cent is in snow blowers.

Although it was an excellent year for lawn equipment, our performance was affected somewhat for the first three quarters by materials shortage problems. This supply

Lawn mower assembly line

Display of Outdoor Products "Canadiana" brand lawn equipment and snow blowers

situation has been resolved.

Snow blower sales were less than projected because of the mild winter season. As a result, we are carrying over more materials and finished goods than planned.

We accomplished a great deal in 1974. Our new plant in Bramalea, Ontario, was opened on January 1. We installed stamping and fabricating equipment for more detailed tube bending and metal stamping, expanded our welding facilities, and set up an additional assembly line to enable us to simultaneously produce rotary mowers, riders and roto-tillers.

We have redesigned our rotary mowers and have also introduced a wider range of roto-tillers. We are assembling the bulk of our tiller line, substantially reducing imports.

Our acquisition by Noma Industries provides us with the working capital we lacked, and will enable us to expand our operations.

Approximately 80 per cent of our business is done with the major retailers and the remainder with small independent dealers.

Certainly, for 1975 we are concerned with the economy and the effects it may have on our customers. However, we still expect a continued increase in our sales volume in 1975.

NOMA

NOMA INDUSTRIES LIMITED

Corporate Directory

Directors
Mrs. Theresa Beck
*H. Thomas Beck
Rudolph A. Koehler
*Donald Rafelman, Vice-President, Work Wear Corporation of Canada Ltd.,
*Andrew Wedd, President, Andrew Wedd & Co. Limited
*Member of the audit committee

Officers
Mrs. Theresa Beck, Chairman of the Board
H. Thomas Beck, President and Chief Executive Officer
Rudolph A. Koehler, Executive Vice-President, and Secretary
Mark S. Waldman, Treasurer
Meinrad C. Meerkamper, Controller

Head Office
375 Kennedy Road
Scarborough, Ontario M1K 2A3

Operating Divisions and Subsidiaries

Beck Electric Manufacturing Company
Downsview, Ontario
Ben Hoag, General Manager

Beck Electric Manufacturing, Inc.
Stamford, Connecticut
Seymour Jeruss, President

Cable-Tech Wire Company Limited
Stouffville, Ontario
Siegfried Riemer, President

Noma Displays Limited
Downsview, Ontario
Rolph Baumann, Manager

Noma Lites Canada Limited
Scarborough, Ontario
H. Thomas Beck, President

Outdoor Products Mfg. Ltd.
Bramalea, Ontario
William Czeban, President

Auditors
Touche Ross & Co., Toronto

Transfer Agent & Registrar
Montreal Trust Company

Stock Listing
Toronto Stock Exchange
Montreal Stock Exchange

Annual Meeting
The annual meeting of shareholders will be held on Thursday, May 22, 1975 at 10:30 a.m. in the Royal York Hotel, Toronto

Noma Industries Limited
375 Kennedy Road, Scarborough, Ontario M1K 2A3